

D R A F T - 5/25/88

SUBJECT: CIA ADMINISTRATION OF THE THRIFT SAVINGS PLAN

MEMORANDUM OF UNDERSTANDING

I. Purpose

A. This memorandum reflects the understandings between the Executive Director, Federal Retirement Thrift Investment Board (FRTIB), and the Director of the Central Intelligence Agency (CIA), regarding the administration of the Thrift Savings Plan (TSP). Pursuant to 5 U.S.C. 8461(k), the Director of the CIA is authorized to assume authority over those operations of the Thrift Savings Plan which he deems appropriate, except for the investment of funds in the Thrift Savings Fund.

B. The Director of the CIA has properly delegated his or her responsibility under 5 U.S.C. 8461(k) to the undersigned Director of Personnel, CIA.

C. This Memorandum covers all employees of the CIA.

D. For purposes of 5 U.S.C. 8461(k), the CIA has determined that the term "employees of the CIA" includes certain civilian employees of an intelligence element of the Department of Defense jointly assigned with CIA employees to a specific intelligence activity of such national security sensitivity that the identities of such assignees must be protected from unauthorized disclosure. Such term does not include any other persons in similar circumstances. Should the CIA determine in the future that other persons in similar circumstances should be designated as employees of the CIA for purposes of 5 U.S.C. 8461(k), separate and independent agreements and memoranda of understanding will be executed in each instance.

II. Functions of the Parties

A. Functions to be Performed by the CIA

1) Under the authority granted in 5 U.S.C. 8461(k), the Director of the CIA has elected to exercise his authority, effective January 1, 1987, to administer all TSP functions not specifically excluded by law with respect to CIA employees

- b) in the event that the CIA no longer desires to administer certain TSP functions with respect to such employees, give

the employing agency and FRTIB
such time as FRTIB requests to
assume responsibility for
administering such functions.

4) Prior to implementation, the CIA will
consult with FRTIB concerning any changes
to the CIA retirement system which will
materially affect FRTIB's operation of TSP.

5) At least annually, CIA will conduct
internal inspections and audits of TSP
accounts and disbursements under its
jurisdiction. These inspections and
audits will be made available for review by
appropriate agencies and auditors, including
auditors employed by FRTIB and the Department
of Labor, in a manner consistent with CIA's
responsibility to protect identities, intelligence
sources, methods, activities, and sensitive
intelligence data.

B. Functions to be performed by FRTIB

1) FRTIB will continue to hold and invest
TSP contributions on behalf of CIA
employees.

2) FRTIB will furnish CIA with such
information and, on a reimbursable basis,
provide such services as the CIA determines
to be necessary to carry out the functions
and duties the CIA has assumed with respect
to TSP, after consultation with the
Executive Director of the FRTIB.

III. Implementation Procedures

Operating procedures to implement this
Memorandum will be developed through consultation
between appropriate representatives of the FRTIB and
the CIA. Procedures already in place will continue
until modified or superceded by new procedures.

IV. Supplemental Memoranda of Understanding

Separate supplemental memoranda of understanding
consistent with this basic Memorandum may be
developed to address specific procedures and
responsibilities relating to the administration of
TSP which are not addressed in this Memorandum.

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changes to
CIA's
computer
financial
processing
method?

who has
appropriate
program
responsibility
security clearance

V. Duration

? This Memorandum will continue in effect until terminated by either signatory. Termination will be accomplished by written notice to the other signatory at least 90 days in advance of the effective date of such termination. ✓

Can't give
up security
responsibilities
?

Approved for the Federal Retirement Thrift Investment Board
this _____ day of _____, 1988.

Executive Director
Federal Retirement Thrift Investment Board

Approved for the Central Intelligence Agency this _____ day
of _____, 1988.

Director of Personnel
Central Intelligence Agency